

106TH CONGRESS  
2D SESSION

# H. R. 4508

To extend programs and activities under the Elementary and Secondary  
Education Act of 1965.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 19, 2000

Mr. POMEROY (for himself, Mr. LAHOOD, and Mr. BALDACCI) introduced the  
following bill; which was referred to the Committee on Education and the  
Workforce

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## A BILL

To extend programs and activities under the Elementary  
and Secondary Education Act of 1965.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. EXCELLENCE IN ECONOMIC EDUCATION.**

4 Title X (20 U.S.C. 10101 et seq.) of the Elementary  
5 and Secondary Education Act of 1965 is amended by add-  
6 ing at the end the following:



1           “(B) A little more than  $\frac{1}{3}$  of those tested  
2 realize that society must make choices about  
3 how to use resources.

4           “(C) Only  $\frac{1}{3}$  of those tested understand  
5 that active competition in the marketplace  
6 serves to lower prices and improve product  
7 quality.

8           “(D) Slightly more than  $\frac{1}{2}$  of adults in  
9 the United States and less than  $\frac{1}{4}$  of students  
10 in the United States know that a Federal budg-  
11 et deficit is created when the Federal Govern-  
12 ment’s expenditures exceed its revenues in a  
13 year.

14           “(E) Overall, adults received a grade of 57  
15 percent on the test and secondary school stu-  
16 dents received a grade of 48 percent on the  
17 test.

18           “(F) Despite these poor results, the test  
19 findings pointed out that individuals in the  
20 United States realize the need for under-  
21 standing basic economic concepts, with 96 per-  
22 cent of adults tested believing that basic eco-  
23 nomics should be taught in secondary school.

24           “(3) A range of trends points to the need for  
25 individuals in the United States to receive a prac-

1 tical economics education that will give the individ-  
2 uals tools to make responsible choices about their  
3 limited financial resources, and about the range of  
4 economic choices which face all people regardless of  
5 their financial circumstances. Examples of the  
6 trends include the following:

7 “(A) The number of personal bankruptcies  
8 in the United States rose and set new records  
9 in the 1990’s, despite the longest peacetime  
10 economic expansion in United States history.  
11 One in every 70 United States households filed  
12 for bankruptcy in 1998. Rising bankruptcies  
13 have an impact on the cost and availability of  
14 consumer credit which in turn negatively affect  
15 overall economic growth.

16 “(B) Credit card delinquencies in the  
17 United States rose to 1.83 percent in 1998,  
18 which is a percentage not seen since 1992 when  
19 the effects of a recession were still strong.

20 “(C) The personal savings rate in the  
21 United States over the 5 years ending in 1998  
22 averaged only 4.5 percent. In the third quarter  
23 of 1999, the personal savings rate dropped to  
24 1.8 percent. A decline in savings rates reduces  
25 potential investment and economic growth.

1           “(D) By 2030, the number of older per-  
2           sons in the United States will grow to  
3           70,000,000, more than twice the number of  
4           older persons in the United States in 1997. The  
5           additional older persons will add significantly to  
6           the population of retirees in the United States  
7           and require a shift in private and public re-  
8           sources to attend to their specific needs. The  
9           needs of this population will have dramatic,  
10          long-term economic consequences for younger  
11          generations of individuals in the United States  
12          workforce who will need to plan well in order to  
13          support their families and ensure for themselves  
14          a secure retirement.

15          “(4) The third National Education Goal des-  
16          ignates economics as 1 of 9 core content areas in  
17          which teaching, learning, and students’ mastery of  
18          basic and advanced skills must improve.

19          “(5) The National Council on Economic Edu-  
20          cation presents a compelling case for doing more to  
21          meet the need for economic literacy. While an under-  
22          standing of economics is necessary to help the next  
23          generation to think, choose, and function in a chang-  
24          ing global economy, economics has too often been  
25          neglected in schools.

1           “(6) States’ requirements for economic and per-  
2           sonal finance education are insufficient as evidenced  
3           by the fact that, while 39 States have adopted edu-  
4           cational standards (including guidelines or proficien-  
5           cies) in economics—

6                   “(A) only 13 of those States require all  
7           students to take a course in economics before  
8           graduating from secondary school;

9                   “(B) only 25 States administer tests to de-  
10          termine whether students meet the economic  
11          standards; and

12                   “(C) only 27 States require that the eco-  
13          nomic standards be implemented in schools.

14           “(7) Improved and enhanced national, State,  
15          and local economic education efforts, conducted as  
16          part of the Campaign for Economic Literacy led by  
17          the National Council on Economic Education, will  
18          help individuals become informed consumers, con-  
19          scientious savers, prudent investors, productive  
20          workforce members, responsible citizens, and effec-  
21          tive participants in the global economy.

22           “(8)(A) Founded in 1949, the National Council  
23          on Economic Education is the preeminent economic  
24          education organization in the United States, having  
25          a nationwide network that supports economic edu-

1 cation in the Nation’s schools by working with  
2 States, local educational agencies, and schools.

3 “(B) This network supports teacher prepared-  
4 ness in economics through—

5 “(i) inservice teacher education;

6 “(ii) classroom-tested materials and appro-  
7 priate curricula;

8 “(iii) evaluation, assessment, and research  
9 on economics education; and

10 “(iv) suggested content standards for eco-  
11 nomics.

12 “(9) The National Council on Economic Edu-  
13 cation network includes affiliated State Councils on  
14 Economic Education and more than 275 university  
15 or college-based Centers for Economic Education.  
16 This network represents a unique partnership among  
17 leaders in education, business, economics, and labor,  
18 the purpose of which is to effectively deliver eco-  
19 nomic education throughout the United States.

20 “(10) Each year the National Council on Eco-  
21 nomic Education network trains 120,000 teachers,  
22 reaching more than 7,000,000 students. By  
23 strengthening the Council’s nationwide network, the  
24 Council can reach more of the Nation’s 53,000,000  
25 students.

1           “(11) The National Council on Economic Edu-  
2           cation conducts an international economic education  
3           program that provides information on market prin-  
4           ciples to the world (particularly emerging democ-  
5           racies) through teacher training, materials trans-  
6           lation and development, study tours, conferences,  
7           and research and evaluation. As a result of those ac-  
8           tivities, the National Council on Economic Edu-  
9           cation is helping to support educational reform and  
10          build economic education infrastructures in emerg-  
11          ing market economies, and reinforcing the national  
12          interest of the United States.

13           “(12) Evaluation results of economics education  
14          activities support the following conclusions:

15                   “(A) Inservice education in economics for  
16                   teachers contributes significantly to students’  
17                   gains in economic knowledge.

18                   “(B) Secondary school students who have  
19                   taken economics courses perform significantly  
20                   better on tests of economic literacy than do  
21                   their counterparts who have not taken econom-  
22                   ics.

23                   “(C) Economics courses contribute signifi-  
24                   cantly more to gains in economic knowledge

1           than does integration of economics into other  
2           subjects.

3           “(13) Through partnerships, the National  
4           Council on Economic Education network leverages  
5           support for its mission by raising more than  
6           \$35,000,000 annually for economic education from  
7           the private sector, universities, and States.

8           **“SEC. 10995B. EXCELLENCE IN ECONOMIC EDUCATION.**

9           “(a) PURPOSE.—The purpose of this part is to pro-  
10          mote economic literacy among all United States students  
11          in kindergarten through grade 12 by enhancing national  
12          leadership in economic education through the strength-  
13          ening of a nationwide economic education network and the  
14          provision of resources to appropriate State and local enti-  
15          ties.

16          “(b) GOALS.—The goals of this part are—

17                  “(1) to increase students’ knowledge of and  
18                  achievement in economics to enable the students to  
19                  become more productive and informed citizens;

20                  “(2) to strengthen teachers’ understanding of  
21                  and competency in economics to enable the teachers  
22                  to increase student mastery of economic principles  
23                  and their practical application;

24                  “(3) to encourage economic education research  
25                  and development, to disseminate effective instruc-

1 tional materials, and to promote replication of best  
2 practices and exemplary programs that foster eco-  
3 nomic literacy;

4 “(4) to assist States in measuring the impact of  
5 education in economics, which is 1 of 9 national core  
6 content areas described in section 306(c) of the  
7 Goals 2000: Educate America Act (20 U.S.C.  
8 5886(e)) (as such section was in effect on the day  
9 preceding the date of enactment of the Educational  
10 Opportunities Act);

11 “(5) to extend strong economic education deliv-  
12 ery systems to every State; and

13 “(6) to leverage and expand private and public  
14 support for economic education partnerships at na-  
15 tional, State, and local levels.

16 **“SEC. 10995C. GRANT PROGRAM AUTHORIZED.**

17 “(a) GRANTS TO THE NATIONAL COUNCIL ON ECO-  
18 NOMIC EDUCATION.—

19 “(1) IN GENERAL.—The Secretary is authorized  
20 to award a grant to the National Council on Eco-  
21 nomic Education (referred to in this section as the  
22 ‘grantee’), which is a nonprofit educational organiza-  
23 tion that has as its primary purpose the improve-  
24 ment of the quality of student understanding of eco-

1       nomics through effective teaching of economics in  
2       the Nation’s classrooms.

3               “(2) USE OF GRANT FUNDS.—

4                       “(A) ONE-QUARTER.—The grantee shall  
5                       use  $\frac{1}{4}$  of the funds made available through the  
6                       grant and not reserved under subsection (f) for  
7                       a fiscal year—

8                               “(i) to strengthen and expand the  
9                               grantee’s nationwide network on economic  
10                              education;

11                             “(ii) to support and promote training,  
12                             of teachers who teach a grade from kinder-  
13                             garten through grade 12, regarding eco-  
14                             nomics, including the dissemination of in-  
15                             formation on effective practices and re-  
16                             search findings regarding the teaching of  
17                             economics;

18                             “(iii) to support research on effective  
19                             teaching practices and the development of  
20                             assessment instruments to document stu-  
21                             dent performance;

22                             “(iv) to develop and disseminate ap-  
23                             propriate materials to foster economic lit-  
24                             eracy; and

1           “(v) to coordinate activities assisted  
2           under this section with activities assisted  
3           under title II.

4           “(B) THREE-QUARTERS.—The grantee  
5           shall use  $\frac{3}{4}$  of the funds made available  
6           through the grant and not reserved under sub-  
7           section (f) for a fiscal year to award grants to  
8           State economic education councils, or in the  
9           case of a State that does not have a State eco-  
10          nomic education council, a center for economic  
11          education (which council or center shall be re-  
12          ferred to in this section as a ‘recipient’). The  
13          grantee shall award such a grant to pay for the  
14          Federal share of the cost of enabling the recipi-  
15          ent to work in partnership with 1 or more of  
16          the entities described in paragraph (3) for 1 or  
17          more of the following purposes:

18                 “(i) Collaboratively establishing and  
19                 conducting teacher training programs that  
20                 use effective and innovative approaches to  
21                 the teaching of economics.

22                 “(ii) Providing resources to school dis-  
23                 tricts that want to incorporate economics  
24                 into the curricula of the schools in the dis-  
25                 tricts.

1           “(iii) Conducting evaluations of the  
2 impact of economic education on students.

3           “(iv) Conducting economic education  
4 research.

5           “(v) Creating and conducting school-  
6 based student activities to promote con-  
7 sumer, economic, and personal finance  
8 education, such as saving, investing, and  
9 entrepreneurial education, and to encour-  
10 age awareness and student achievement in  
11 economics.

12           “(vi) Establishing interstate and  
13 international student and teacher ex-  
14 changes to promote economic literacy.

15           “(vii) Encouraging replication of best  
16 practices to encourage economic literacy.

17           “(C) ADDITIONAL REQUIREMENTS AND  
18 TECHNICAL ASSISTANCE.—The grantee shall—

19           “(i) meet such other requirements as  
20 the Secretary determines to be necessary  
21 to assure compliance with this section; and

22           “(ii) provide such technical assistance  
23 as may be necessary to carry out this sec-  
24 tion.

1           “(3) PARTNERSHIP ENTITIES.—The entities re-  
2           ferred to in paragraph (2)(B) are the following:

3                   “(A) A private sector entity.

4                   “(B) A State educational agency.

5                   “(C) A local educational agency.

6                   “(D) An institution of higher education.

7                   “(E) Another organization promoting eco-  
8           nomic development.

9                   “(F) Another organization promoting edu-  
10          cational excellence.

11           “(4) ADMINISTRATIVE COSTS.—The grantee  
12           and each recipient receiving a grant under this sec-  
13           tion for a fiscal year may use not more than 25 per-  
14           cent of the funds made available through the grant  
15           for administrative costs.

16           “(b) TEACHER TRAINING PROGRAMS.—

17                   “(1) IN GENERAL.—In carrying out the teacher  
18           training programs described in subsection (a)(2)(B)  
19           a recipient shall—

20                   “(A) train teachers who teach a grade  
21           from kindergarten through grade 12;

22                   “(B) conduct programs taught by qualified  
23           teacher trainers who can tap the expertise,  
24           knowledge, and experience of classroom teach-

1           ers, private sector leaders, and other members  
2           of the community involved, for the training; and

3           “(C) encourage teachers from disciplines  
4           other than economics to participate in such  
5           teacher training programs, if the training will  
6           promote the economic understanding of their  
7           students.

8           “(2) RELEASE TIME.—Funds made available  
9           under this section for the teacher training programs  
10          described in subparagraphs (A) and (B) of sub-  
11          section (a)(2) may be used to pay for release time  
12          for teachers and teacher trainers who participate in  
13          the training.

14          “(c) INVOLVEMENT OF BUSINESS COMMUNITY.—In  
15          carrying out the activities assisted under this part the  
16          grantee and recipients are encouraged to—

17                 “(1) include interactions with the local business  
18                 community to the fullest extent possible, to reinforce  
19                 the connection between economic education and eco-  
20                 nomic development; and

21                 “(2) work with private businesses to obtain  
22                 matching contributions for Federal funds and assist  
23                 recipients in working toward self-sufficiency.

24          “(d) FEDERAL SHARE.—

1           “(1) IN GENERAL.—The Federal share of the  
2 cost described in subsection (a)(2)(B) shall be 50  
3 percent. The Federal share of the cost of estab-  
4 lishing a State council on economic education or a  
5 center for economic education under subsection (f),  
6 for 1 fiscal year only, shall be 75 percent.

7           “(2) NON-FEDERAL SHARE.—The non-Federal  
8 share may be paid in cash or in kind, fairly evalu-  
9 ated, including plant, equipment, or services.

10          “(e) APPLICATIONS.—

11           “(1) GRANTEE.—To be eligible to receive a  
12 grant under this section, the grantee shall submit to  
13 the Secretary an application at such time, in such  
14 manner, and accompanied by such information as  
15 the Secretary may require.

16           “(2) RECIPIENTS.—

17           “(A) IN GENERAL.—To be eligible to re-  
18 ceive a grant under this section, a recipient  
19 shall submit an application to the grantee at  
20 such time, in such manner, and accompanied by  
21 such information as the grantee may require.

22           “(B) REVIEW.—The grantee shall invite  
23 the individuals described in subparagraph (C)  
24 to review all applications from recipients for a  
25 grant under this section and to make rec-

1           ommendations to the grantee regarding the  
2           funding of the applications.

3           “(C) INDIVIDUALS.—The individuals re-  
4           ferred to in subparagraph (B) are the following:

5                   “(i) Leaders in the fields of economics  
6                   and education.

7                   “(ii) Such other individuals as the  
8                   grantee determines to be necessary.

9           “(f) SPECIAL RULE.—For each State that does not  
10          have a recipient in the State, as determined by the grant-  
11          ee, not less than the greater of 1.5 percent or \$100,000  
12          of the total amount appropriated under subsection (i), for  
13          1 fiscal year, shall be made available to the State to pay  
14          for the Federal share of the cost of establishing a State  
15          council on economic education or a center for economic  
16          education in partnership with a private sector entity, an  
17          institution of higher education, the State educational  
18          agency, and other organizations.

19          “(g) SUPPLEMENT AND NOT SUPPLANT.—Funds ap-  
20          propriated under this section shall be used to supplement  
21          and not supplant other Federal, State, and local funds ex-  
22          pended for the purpose described in section 10995B(a).

23          “(h) REPORT.—The Secretary shall prepare and sub-  
24          mit to the appropriate committees of Congress a report  
25          regarding activities assisted under this section not later

1 than 2 years after the date funds are first appropriated  
2 under subsection (i) and every 2 years thereafter.

3       “(i) AUTHORIZATION OF APPROPRIATIONS.—There  
4 are authorized to be appropriated to carry out this part  
5 \$10,000,000 for fiscal year 2001, and such sums as may  
6 be necessary for each of the 4 succeeding fiscal years.”.

○